

Budget Unit Brief

FY 2017



Auditor of State

Purpose and History

The position of [Auditor of State](#) was created in 1857 with Article IV, Section 22, of the Iowa Constitution. The Auditor is elected by popular vote and serves a four-year term. The duties of the Office are spelled out in Iowa Code chapter [11](#). The mission of the Office of the Auditor of State is to benefit all citizens of Iowa by providing independent audit, review, and other technical services to state and local governments to ensure the effective, economical businesslike conduct of public activities in a prudent, accountable manner to achieve the intended purposes.

The Auditor of State is required to annually make a complete audit of the books, records, and accounts of every department of state government. The Iowa Comprehensive Annual Financial Report (CAFR) and Single Audit Report are audited by the Auditor of State.

The Office has the following three divisions:

- **Administration** – Provides management and support services that include fiscal management, data processing, personnel training, recruiting, audit report production, and quality control.
- **Financial Audit** – Prepares annual audits of all state agencies, departments, and certain governmental subdivisions. Provides technical assistance to these entities, private individuals, Certified Public Accounting firms, and other governmental agencies. Performs report and working paper reviews of Certified Public Accountant audits of governmental subdivisions, and conducts readits as needed.
- **Performance Investigation** – Conducts performance audits of state agencies and the programs administered. The Division also investigates suspected embezzlement and conducts special studies assigned by the Auditor of State or requested by the General Assembly.

Funding – State General Fund

The Office of the Auditor of State receives an annual appropriation from the General Fund to fund costs of conducting audits of state departments that are not statutorily required to reimburse the Office for annual audit costs. The appropriation is used to perform the following audits:

Iowa State Fair Attorney General Auditor of State* Department for the Blind Ethics and Campaign Disclosure Board Civil Rights Commission Department of Corrections Department of Cultural Affairs Economic Development Authority College Student Aid Commission Iowa Public Television Department on Aging	Iowa Communications Network Governor's Office Department of Human Rights Department of Inspections and Appeals Judicial Department Judicial Retirement System Law Enforcement Academy Legislature Department of Management Parole Board Peace Officers' Retirement System Public Employment Relations Board Department of Public Defense	Department of Public Safety Department of Revenue Secretary of State Office of State/Federal Relations Office of Drug Control Policy State Appeal Board State Executive Council Treasurer of State Underground Storage Tank Board Uniform State Laws Commission Judicial Districts Iowa Centennial Memorial Foundation
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*The annual audit of the Auditor of State is completed by an independent accounting firm.

More Information

State of Iowa, Auditor of State: <http://auditor.iowa.gov/>

National Association of State Auditors, Comptrollers and Treasurers: <http://nasact.org/>

Iowa General Assembly: <https://www.legis.iowa.gov/>

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Other Sources of Revenue

In addition to the General Fund appropriation, the Office receives fees for conducting audits and reviews of certain state agencies and governmental subdivisions (see Iowa Code sections [11.20](#) and [11.21](#) for subdivision fees). Iowa Code section [11.5B](#) allows the Auditor of State to be reimbursed for costs of conducting audits of the following state agencies and entities:

Department of Commerce Department of Human Services Department of Transportation Department of Public Health Department of Agriculture and Land Stewardship	Iowa Veterans Home Department of Education Department of Workforce Development Department of Natural Resources Offices of the Clerks of the District Court (Judicial Branch)	Iowa Public Employees' Retirement System Federal financial assistance received by all other departments Department of Administrative Services Board of Regents Office of the Chief Information Officer
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Iowa Code section [11.6](#) requires the finances of specified local governmental subdivisions to be audited annually. Governmental subdivisions have the option to use a Certified Public Accountant (certified by the state of Iowa) or the Auditor of State to conduct the audit. If a governmental subdivision chooses to use the Auditor of State, the Auditor of State will bill the entity to cover the cost of the audit. The Auditor of State is also authorized to charge governmental subdivisions a filing fee for costs associated with filing audits. The filing fee ranges from \$100 to \$850, depending on the size of the governmental subdivision budget.

Related Statutes and Administrative Rules

Iowa Code chapter [11](#)

[81](#) Iowa Administrative Code

Revised August 18, 2016